

VZCZCXRO6898
PP RUEHCD RUEHGD RUEHHO RUEHMC RUEHNG RUEHNL RUEHRD RUEHRS RUEHTM
DE RUEHME #0347 0241319
ZNR UUUUU ZZH
P 241319Z JAN 07
FM AMEMBASSY MEXICO
TO RUEHC/SECSTATE WASHDC PRIORITY 5060
INFO RUEHXC/ALL US CONSULATES IN MEXICO COLLECTIVE PRIORITY
RUEHOT/AMEMBASSY OTTAWA PRIORITY 2273
RULSDMK/DEPT OF TRANSPORTATION WASHDC PRIORITY
RUEAHLA/DEPT OF HOMELAND SECURITY PRIORITY
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY

UNCLAS MEXICO 000347

SIPDIS

SIPDIS

E.O. 12958: N/A

TAGS: [ECON](#) [EAIR](#) [CASC](#) [CPAS](#) [EIND](#) [KHLS](#) [MX](#)

SUBJECT: MEXICO TOURISM SECRETARY: NO WORRIES ON WHTI

¶1. (U) Summary: The Mexican Secretary of Tourism has said that the impact of the Western Hemisphere Travel Initiative (WHTI) on international tourism to Mexico will be minor. According to estimates by the Secretariat of Tourism (Sectur), Mexico's revenue losses from WHTI will be less than 3 percent thanks to public outreach programs implemented by the Secretariat across the United States. The President of the National Business Tourism Council agreed that, so far, weather has posed a greater threat than the passport requirement. The Consular section only received four applications on the first day of implementation from travelers who were denied boarding. Sectur anticipates that the final phase of implementation involving land border crossings will be the most problematic. Nevertheless, any decrease in tourism will conflict with President Felipe Calderon's ambitious goals for the sector. End Summary.

¶2. (U) Secretary of Tourism Rodolfo Elizondo has predicted that only 318,000 of the 5.3 million U.S. tourists will cancel trips to Mexico due to lack of a passport. He also said that Mexico expects to lose only USD 254 million of its annual USD 12 billion in international tourism revenue due to the new regulations. He estimated that only 6 percent of U.S. air passengers to Mexico lack a passport.

¶3. (U) He attributed the low level of travelers without passports to the extensive education drive led by the Mexican Tourism Promotion Council (CPTM). CPTM, which has offices in many large U.S. cities, spread the word to locales that are most likely to send vacationers to Mexico. They also enlisted the assistance of travel agents, hotels, airlines, and other private sector players to make sure U.S. citizens were aware of the new requirements in time to get the necessary documentation.

¶4. (U) Gordon Viberg, president of the National Business Tourism Council, told Econoff that, so far, WHTI has not had an effect on bookings for February, March and April. Actual booking figures for January and February, as well as better estimates for the busy spring break season, however, will be unavailable until March. He said that the industry is still recovering from a slow down in bookings for December and January due to a combination of unusually warm weather in central and northeastern U.S., coupled with bad weather in the West. Industry insiders are citing this weather for the slow-down, not WHTI.

¶5. (U) On January 22 and 23, Acting American Citizen Services (ACS) chief reviewed the new WHTI requirements with airline representatives at Mexico City's Benito Juarez International Airport. The airlines were ready to implement the new rules. Only one airline knew of any grace period during which those without proper documentation would still be allowed entry. The Embassy passport unit in Mexico City only had four applications on the first day from persons who were denied boarding because they lacked a passport.

¶6. (U) The Secretariat of Tourism, along with major industry players, feels that WHTI will not have as large of a negative effect as previously feared. While some resorts may see a small drop in customers, the industry as a whole will easily weather the storm. Of greater concern is the passport requirement for land travel since more than half of U.S. visitors to Mexico cross the land border.

¶7. (U) Mexico's tourism industry has already had its share of stumbling blocks with recent natural disasters along the coasts, election protests in the capital and political violence in Oaxaca. Tourism figures for the first nine months of 2006 show a 2.2 percent drop in revenue and a 4.6 percent decrease in visitors. This experience conflicts with new President Felipe Calderon's goal to turn Mexico into the 5th ranking world tourism power during his six-year administration, a feat that even Secretary Elizondo himself believes improbable. While the WHTI may cause only a small reduction in visitors and revenue, any drop in tourism is a step away from where the Mexican government wants to be.

Visit Mexico City's Classified Web Site at
<http://www.state.sgov.gov/p/wha/mexicocity>
GARZA